

STATEMENT OF PURPOSE**RS21349**

This legislation will establish the Idaho Free Market Insurance Act, which will allow individuals and groups to lower their health insurance costs by making available competitive health plans from out-of-state insurance companies. This legislation requires the Director of the Department of Insurance to issue a certificate of authority to an out-of-state insurer to sell accident and sickness insurance policies in this state only if that insurer is licensed in another state, remains licensed in that state and complies with Idaho's mandatory coverage requirements. Out-of-state insurers must participate in Idaho's premium tax and catastrophic health care fund. This legislation clarifies that any dispute resolutions will be governed by Idaho laws.

FISCAL NOTE

The insurers will remit Idaho's premium tax and participate in the catastrophic health care fund. The impact should be neutral to the state budget.

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